

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2001-379-C - ORDER NO. 2001-1045

NOVEMBER 9, 2001

IN RE: Application of Verizon South, Inc. for a)	ORDER GRANTING
Certificate of Public Convenience and)	AUTHORITY AS A
Necessity to Provide Telecommunications)	COMPETITIVE LOCAL
Services Including Basic Local Exchange)	EXCHANGE CARRIER
Service.)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of Verizon South, Inc. (Verizon or the Company) for a Certificate of Public Convenience and Necessity to provide local exchange telecommunications services on a statewide basis, except for the geographic territory in which it is certified to provide service as an incumbent local exchange carrier. Verizon proposes to provide all forms of local exchange telecommunications services, from basic business and residential service to voice advanced services. In its Application, Verizon indicates that to the extent that areas of South Carolina are served by carriers that qualify as small or rural local exchange carriers under the 1996 Telecommunications Act, the Company will provide such carriers 30 days' advance notice of Verizon's entry into their respective service territories, except where such carrier has its own competitive local exchange carrier operations.

Pursuant to the instructions of the Commission's Executive Director, the Company published one time a Notice of Filing in newspapers of general circulation in areas of South Carolina affected by the Company's Application. No Protests were received. A Petition to Intervene was received from the South Carolina Telephone

Coalition (SCTC). However, prior to consideration of this matter by the Commission, the Company and SCTC signed a Stipulation in the matter.

Accordingly, Verizon filed a Motion for Expedited Review of the matter by the Commission, along with the verified testimony of Stanley J. Bugner. We grant expedited review, and will proceed to consider the merits of the case, based on the verified testimony.

Stanley J. Bugner, State Director-Government Affairs for Verizon testified that Verizon is requesting that this Commission grant Verizon statewide certification to operate as a competitive local exchange carrier (CLEC), except for the territory in which it is already certified to provide service as an incumbent local exchange carrier (ILEC). Verizon seeks authority to provide all forms of local exchange telecommunications services. It anticipates providing such services through its own facilities, as well as via resale and unbundled network elements. Verizon will negotiate interconnection agreements as necessary with relevant ILECs.

According to Bugner, a number of customers outside of Verizon's certificated service area have already expressed interest in doing business with Verizon on an out-of-franchise basis, once Verizon is authorized to offer them the services they need. Bugner states that it is imperative for Verizon to obtain authority to do so as soon as possible. Bugner notes that although Verizon is seeking statewide authority, the current plan is to enter only areas served by BellSouth Telecommunications, Horry Telephone Cooperative, Inc., United Telephone Company of the Carolinas, and Hargray Telephone Company, Inc. Verizon has stipulated with the rural telephone companies (through the South Carolina Telephone Coalition) that if it wishes to enter other rural areas later,

Verizon will provide those carriers 30 days' advance notice of Verizon's entry into their respective service territories, to allow them to initiate any Commission proceedings they believe to be appropriate. In exchange for these concessions, the South Carolina Telephone Coalition has agreed not to oppose Verizon's Application.

Bugner states that Verizon has the financial, technical, and managerial qualifications necessary to run a telecommunications company, as shown by the fact that Verizon has operated as an ILEC in South Carolina since 1957. Bugner notes that the long-standing experience and expertise in providing quality telecommunications services to in-franchise customers demonstrates that it is amply qualified to conduct the same kind of operations on an out-of-franchise basis. In further support of its financial qualifications, Verizon has submitted copies of its FCC ARMIS USOA Report for South Carolina and its 2000 Annual Report filed with this Commission. In addition, Verizon has represented that it will comply with all Commission service standards, applicable laws, regulations, and Commission Orders; that it will participate in universal service support, to the extent required by law; that its operation as a CLEC will not adversely affect the availability of affordable local exchange services; and that its provision of local services is consistent with the public interest.

Bugner finally avers that granting Verizon certification as a new entrant in out-of-franchise areas will further the public interest by enhancing local competition, expanding the range of competitive telecommunications options for South Carolina consumers, and will stimulate infrastructure investment. Bugner states that Verizon's expertise in the telecommunications market will permit it to offer economic and efficient services, thereby providing customers with competitive combinations of price, quality, and

customer service. Bugner notes that potential customers have already expressed desire to be served by Verizon.

According to Bugner, Verizon plans to use its current tariffs for its service as an ILEC to serve customers as a new entrant CLEC. These tariffs are on file with the Commission. Verizon will also likely use individual case basis contracts where appropriate.

We have considered the entire record in the case before us, including the verified testimony of Bugner, which we find probative and credible. Based on Bugner's testimony, we hereby grant the relief sought by Verizon in its Application as filed, subject to the terms of the Stipulation with the South Carolina Telephone Coalition.

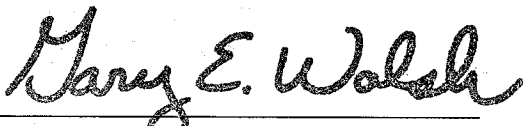
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Chairman

ATTEST:



Executive Director

(SEAL)